Rule Title/Name: Oil and Gas Sector NSPS Reconsideration

Rulemaking Stage: NPRM

Next ADP Milestone: Early Guidance 12/15/17

Options Selection 02/01/18

FAR 02/28/18

Action Requested: Request for Expedited FAR;

Feedback on reduction in monitoring frequency for fugitive emissions

at well sites and compressor station sites.

Summary of the Issues Important to OECA: This a reconsideration of the current rule for new sources of air emissions in the oil and gas sector (NSPS OOOOa). The rule was previously broken into two parts:

1) Policy Issues – Tier 1 – Propose and Final by April 2019

a. Regulation of Methane as a Greenhouse Gas (GHG)

- b. Designation of Source Category
- 2) Technical Issues Tier 2 Propose by February 2018 and Final by Summer 2018
 - a. Reconsideration of fugitive monitoring provisions, well site pneumatic pump standards and professional engineer certification for closed vent system design capacity
 - b. Other technical issues relating to implementation, standards and monitoring

We anticipate that OECA will have a stake in the Tier 2 rulemaking regarding the technical issues, specifically each of the three provisions under reconsideration:

1) Fugitive monitoring at low production wells

OECA Issue:

- a. Ensure clear applicability for exemption terms
- b. Ensure that "wear" components and higher leak rate components (e.g. thief hatches and pressure relief devices (PRDs)) are addressed);
- c. Relay concerns regarding reduced monitoring frequencies at compressor station sites and well sites.
- 2) Well-site pneumatic pump standard

OECA Issue:

- a. Evaluate option for owner/operator engineer certification; and
- 3) Professional engineer certification requirement of closed vent system design capacity OECA Issue:
 - a. Evaluate option for owner/operator engineer certification.
- 4) Definition of "Modification" at a well site for the purposes of fugitive's emissions monitoring
 - a. Ensure that we have clear thresholds for determining when a modification occurs

Related Rulemakings: SAN 5710.10 & 5719.11 – "Oil and Gas Sector NSPS – Limited Stay of Certain Requirements" SAN 6616 – "Oil and Gas Sector Policy Rule"

Key Points of AA Briefing History and Status of OECA's Concerns: This is the second briefing for this rule. We previously briefed you in December 2017 concerning the request from OAR to down tier the rule to a Tier 3. OECA recommended Tier 2.

Environmental Problem Being Addressed by the Rule and How: The rule is a reconsideration of the 2016 rulemaking for the same source category and pollutants. The currently promulgated NSPS was developed under section 111 for the control of criteria pollutants which endanger human health and the environment. The rule also controls emissions of methane, a potent greenhouse gas. The rule addresses the environmental problem through the administration of "best system of emissions reduction" which results in the setting of a performance standard. Where performance standard cannot be set due to technical reasons, a work practice standard was set (e.g. fugitives monitoring).

Rule Effectiveness Concepts Being Considered: The rule is a reconsideration of the prior rule which incorporated rule effectiveness concepts including third party certifications. These requirements are under reconsideration.

Size of Regulated "Universe": TBD

OECA Workgroup Member:

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Tier __2_, SAN: ___5719.8_